



J.P. Morgan Automotive Conference

August 13, 2019

FORWARD-LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES



Forward-Looking Statements

This webcast and presentation contain statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts and can generally be identified by the use of future dates or words such as "may," "should," "could," "will," "expects," "seeks to," "anticipates," "plans," "believes," "estimates," "intends," "predicts," "projects," "potential" or "continue" or the negative of such terms and other comparable terminology. These statements also include, but are not limited to, the 2019 outlook included herein, Superior's strategic and operational initiatives, product mix and overall cost improvement and are based on current or revised expectations, estimates, and projections about Superior's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties, and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, risks, and uncertainties discussed in Superior's Securities and Exchange Commission filings and reports, including Superior's Annual Report on Form 10-K for the year-ended December 31, 2018, and other reports from time to time filed with the Securities and Exchange Commission. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this webcast and presentation.

Use of Non-GAAP Financial Measures

In addition to the results reported in accordance with GAAP included throughout this presentation, this presentation refers to "Adjusted EBITDA," which Superior has defined as earnings before interest income and expense, income taxes, depreciation, amortization, restructuring charges and other closure costs, impairments of long-lived assets and investments, changes in fair value of redeemable preferred stock embedded derivative liability, acquisition and integration costs, certain hiring and separation related costs, gains associated with early debt extinguishment and accounts receivable factoring fees. This presentation also refers to "Value-Added Sales," which Superior defines as net sales less the value of aluminum and services provided by outsourced service providers that are included in net sales.

Management believes these non-GAAP measures are useful to management and may be useful to investors in their analysis of Superior's financial position and results of operations. Further, management uses these non-GAAP financial measures for planning and forecasting purposes. This non-GAAP financial information is provided as additional information for investors and is not in accordance with or an alternative to GAAP and may be different from similar measures used by other companies.

For reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, see the appendix of this presentation.

In reliance on the safe harbor provided under section 10(e) or Regulation S-K, Superior has not quantitatively reconciled differences between Adjusted EBITDA presented in the 2019 outlook to net income, the most comparable GAAP measure, as Superior is unable to quantify certain amounts included in net income without unreasonable efforts and due to the inherent uncertainty regarding such variables. Superior also believes that such reconciliation would imply a degree of precision that could potentially be confusing or misleading to investors. However, the magnitude of these amounts may be significant.

EXECUTIVE BACKGROUNDS



Majdi Abulaban *President and Chief Executive Officer*



- Nearly 35 years in the automotive industry
- President and CEO of Superior since May 2019
- Senior Vice President and Group President, Global Signal and Power Solutions at Aptiv from 2012 to 2019 (formerly Delphi)
- Prior to 2012 held various business unit leadership positions within Delphi in China, Singapore, and the United States
- Currently serves on the Board of Directors of SPX Flow, Inc. (NYSE: FLOW)

Matti Masanovich *Executive Vice President and Chief Financial Officer*



- Executive Vice President and CFO of Superior since September 2018
- Senior Vice President and CFO at General Cable Corporation from 2016 to 2018
- Global Vice President of Finance, Packard Electrical and Electronic Architecture Division at Aptiv in Shanghai, China from 2013 to 2016
- Prior to 2013, served in various executive positions within both public and private companies

SUPERIOR AT A GLANCE



A Leader
**ALUMINUM WHEELS
FOR LIGHT VEHICLES**

Innovative
**OUR PEOPLE ALWAYS
PUSH US FORWARD**

Diversified
**SERVING NEARLY ALL
GLOBAL OEMS**

Safety
**WORLD CLASS
SAFETY RECORD**

A Leader
in both North
America and Europe

A Leader
in Aftermarket
Wheels in Europe

Diversified
across Global OEMs
and Vehicle Segments

19.7M
2019E Wheel
Shipments⁽¹⁾

~8,000
Employees
Worldwide

\$1.4B
2019E Net
Sales⁽¹⁾

60+
Years in the
Automotive
Industry

9
Production Facilities
(Germany 1, Mexico 4,
Poland 3, USA 1)

Aftermarket Brands

ATS
Leichtmetallräder

riAL
LEICHTMETALLFELGEN

ALUTEC
Leichtmetallfelgen

ANZIO
WHEELS

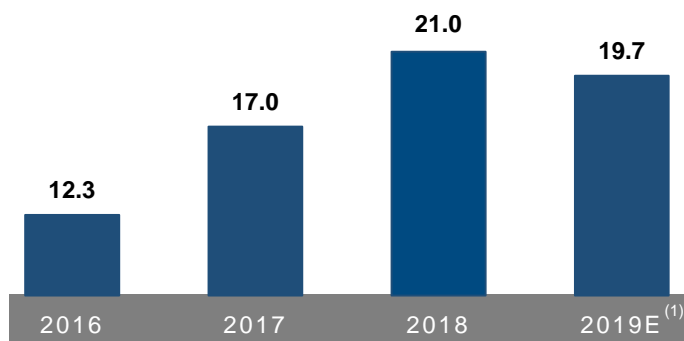
(1) Based on the midpoint of 2019 outlook provided on August 8, 2019

FINANCIAL PERFORMANCE

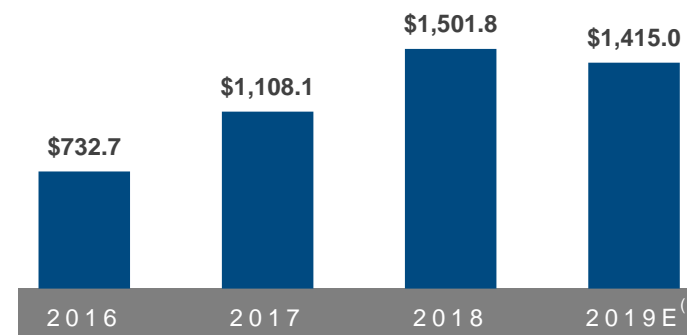


(\$ and units in millions)

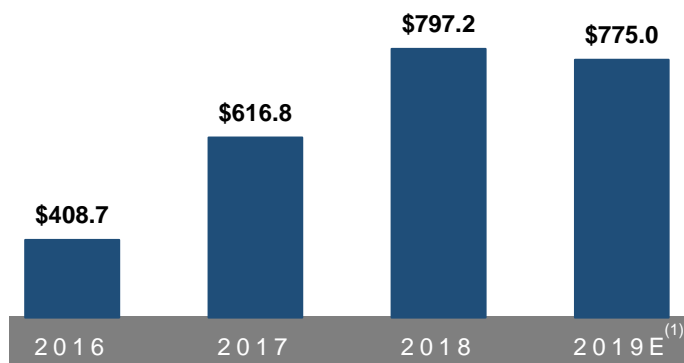
Units



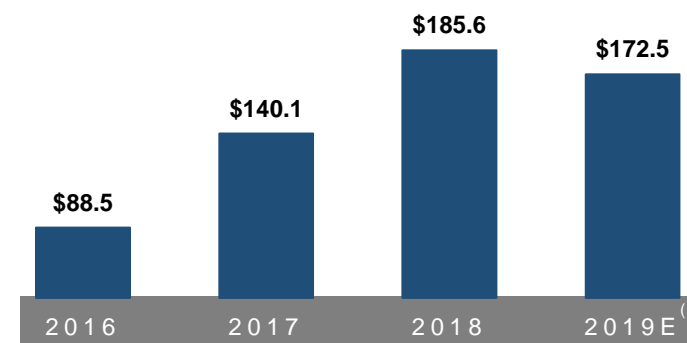
Net Sales



Value-Added Sales⁽²⁾



Adjusted EBITDA⁽²⁾

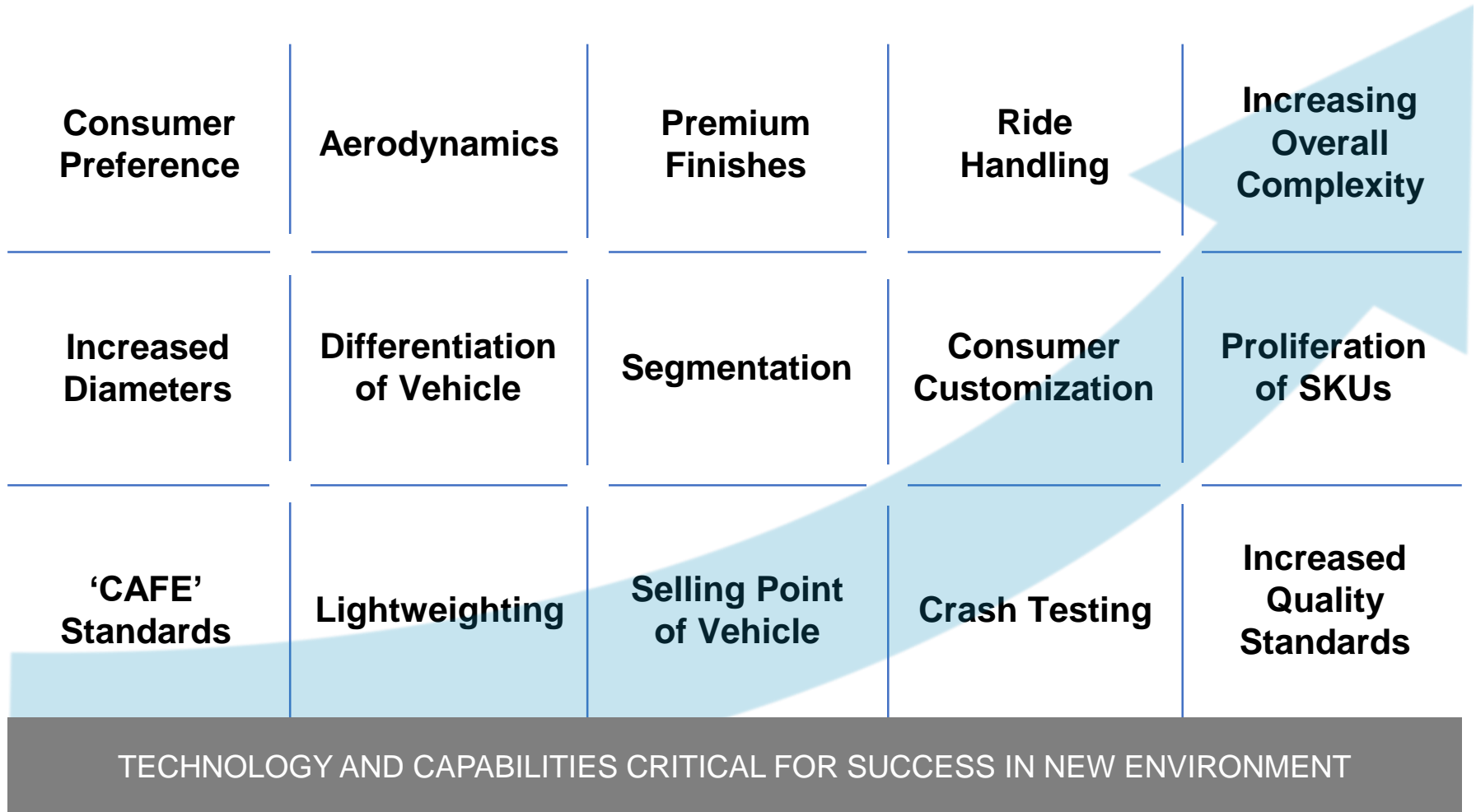


2019E represents an 18% improvement in content per wheel compared to 2016

(1) Based on the midpoint of 2019 outlook provided on August 8, 2019

(2) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures. See slide 2 for information about non-GAAP Financial Measures and appendix for a reconciliation to the most comparable GAAP measure

WHEEL INDUSTRY IS EVOLVING



SUPERIOR'S PORTFOLIO



FINISHES

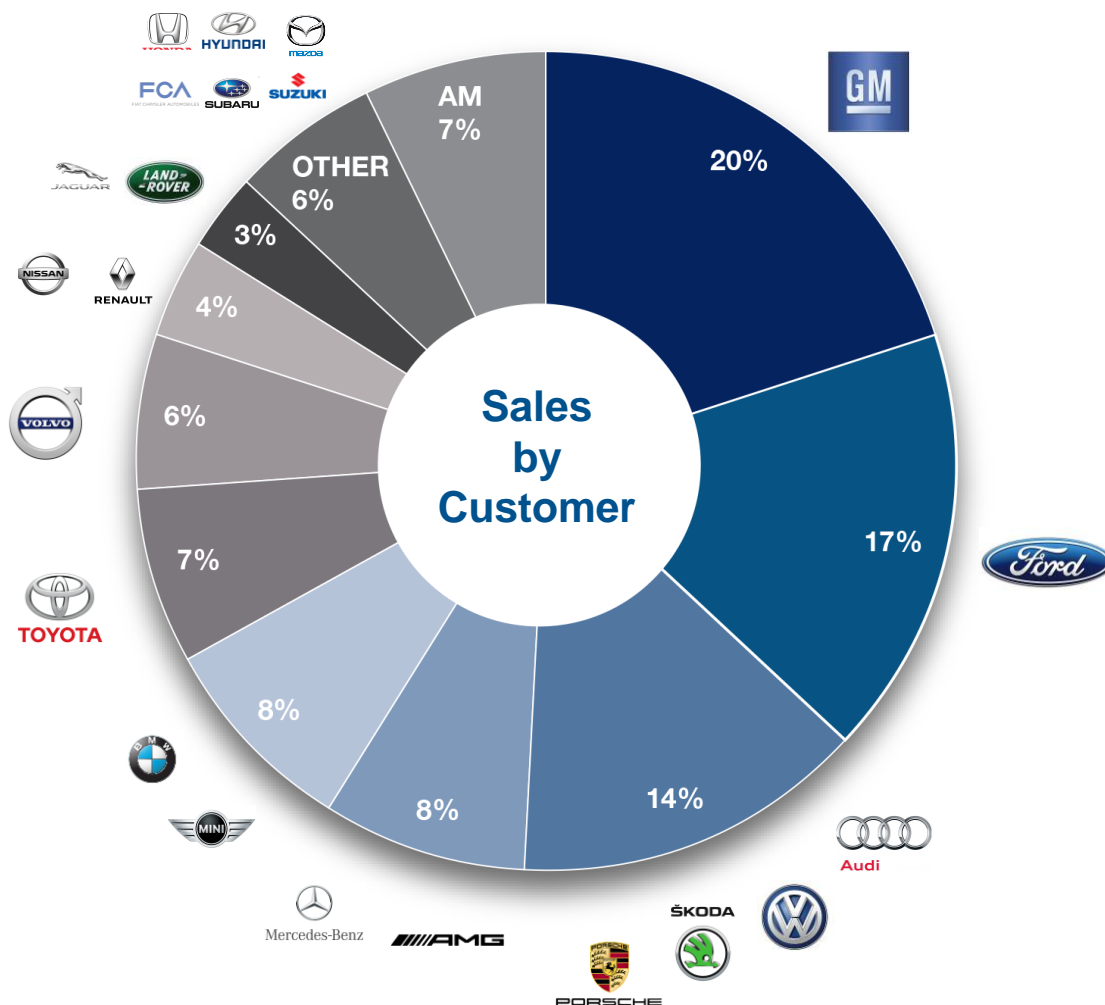
- Fully Painted
- Premium Paint
- Diamond Cut / Bright Machined
- Ultra Bright / Mirror Finish
- Polished
- PVD

TECHNOLOGIES

- AluLite™
- Aero
- Flow Forming
- Laser Etching
- Milling
- Pad Printing

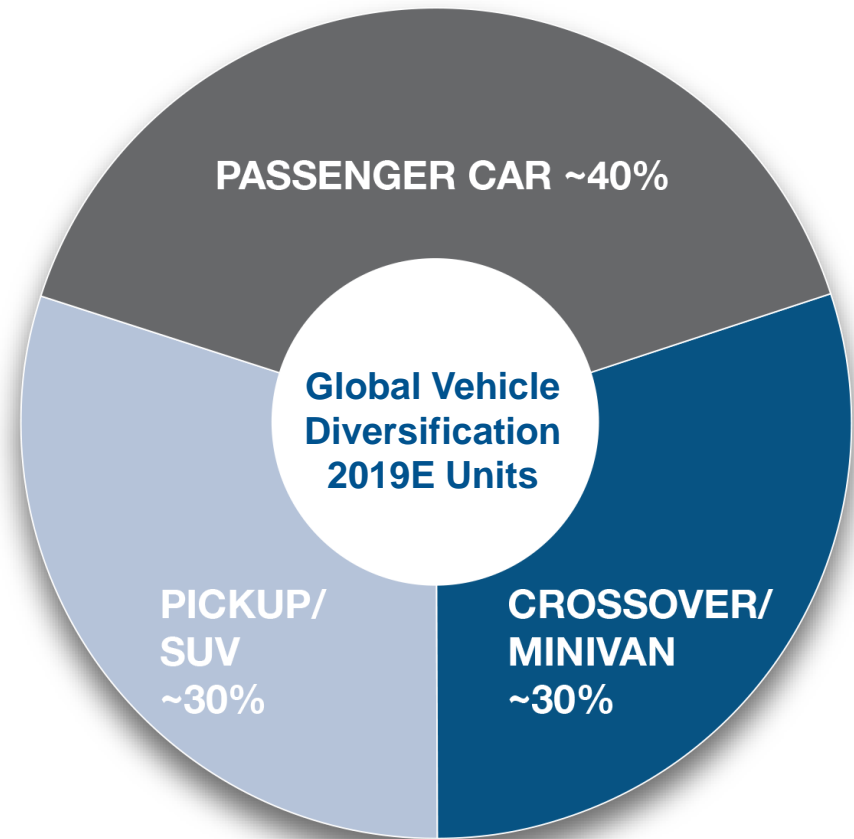
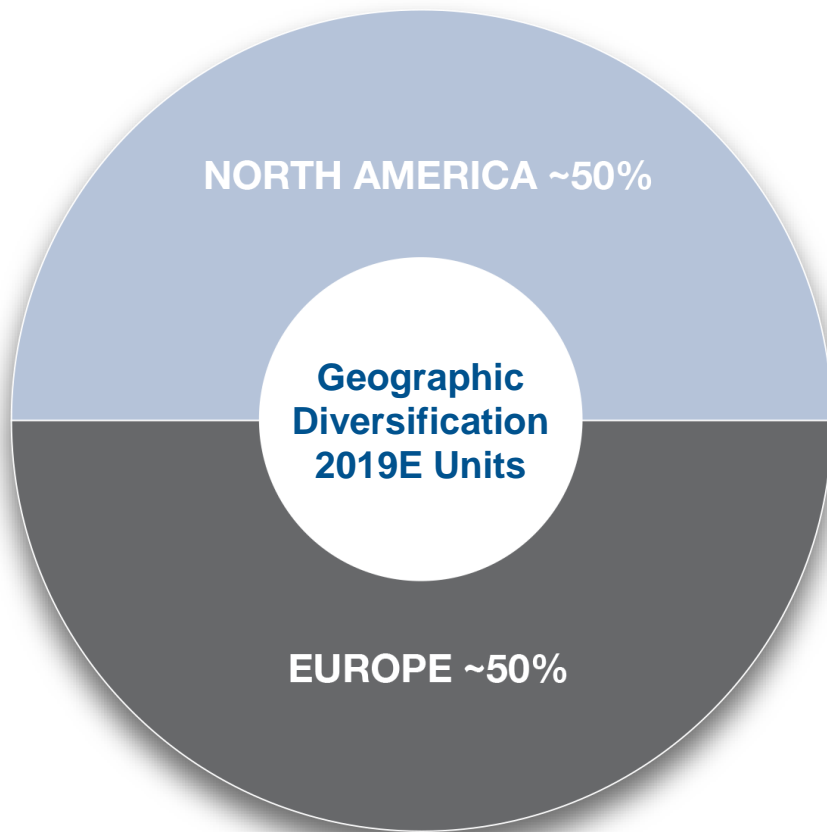
- Pioneer for low-pressure casting for alloy wheels
- Pioneer of printing large surfaces (pad printing)
- Producer of forged high-performance racing wheels (Formula 3)
- Developer of prototypes for premium automotive brands
- Combination of different processes / technologies to improve the weight and strength of alloy wheels
- New R&D facility with cutting edge IT equipment for all established CAD and CAM programs

DEEP RELATIONSHIPS WITH GLOBAL OEMs



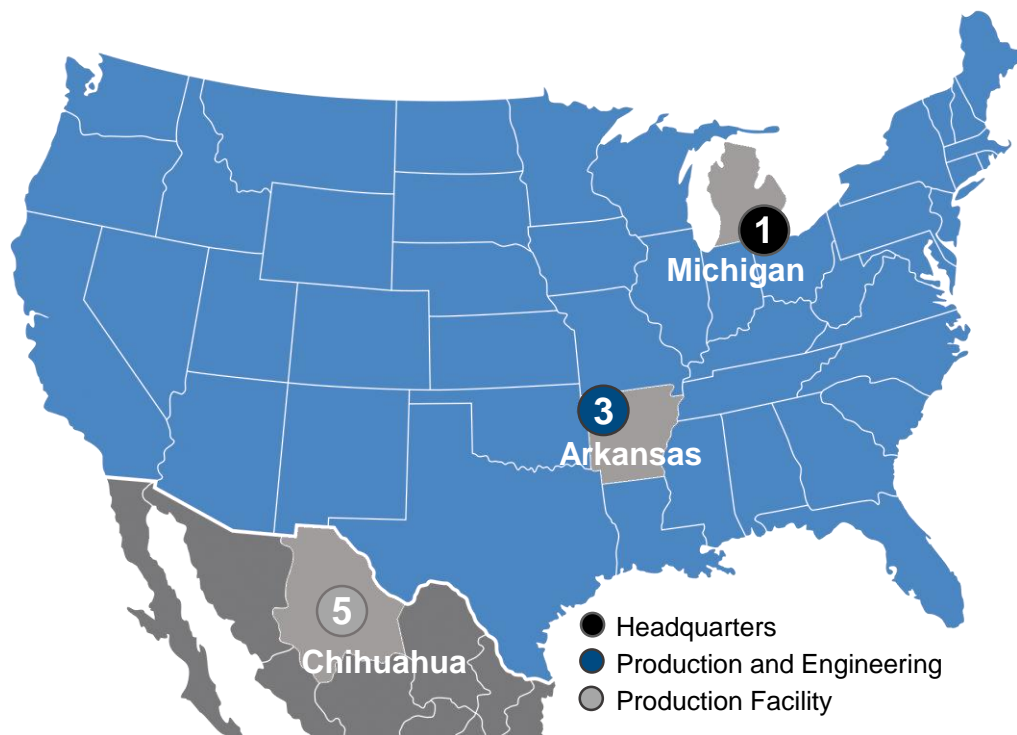
- Diversified Across Nearly All Global OEMs
- Top Three Supplier to Majority of OEMs Served
- Entrenched OEM Relationships Spanning 50+ Years

GEOGRAPHIC AND VEHICLE SEGMENT DIVERSIFICATION



- Regionally diverse business mitigates risk
- Wheel portfolio serves all three vehicle segments

DIVERSIFIED AND LOW-COST MANUFACTURING FOOTPRINT



1 SOUTHFIELD, MI, USA
Corporate Headquarters

2 BAD DÜRKHEIM, GERMANY
- European Headquarters
- Logistics Center (Aftermarket)

3 FAYETTEVILLE, AR, USA
- Production Facility
- R&D and Customer Center

4 WERDOHL/LÜDENSCHIED, GERMANY
- Production Facility
- R&D and Customer Center



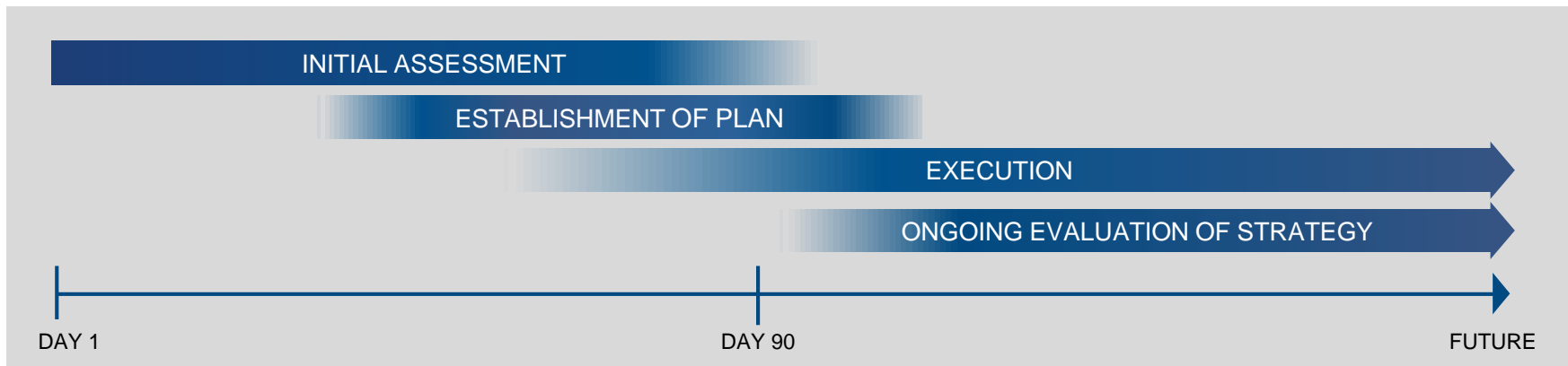
5 CHIHUAHUA, MEXICO
- 4 Production Facilities
- Shared Services Center

6 STALOWA WOLA, POLAND
- 3 Production Facilities
- Mold Shop

7 FUßGÖNHEIM, GERMANY
- Motorsports and Forged
Wheel Production
- Prototype Development
and Production

CEO EVALUATION – LAST 90 DAYS

- Manufacturing deep dives at each facility in Germany, Mexico, Poland, and USA
- Review of 2019 volume and financial outlook
- Weekly status reports on critical launches
- Evaluation of competitive landscape and our product and technology differentiation
- Review of capital investment plan and working capital targets in both regions
- Reviews of challenged product lines
- Townhall meetings with employees globally
- Innovation and technology reviews at engineering centers with R&D teams
- Initiated face-to-face dialogue with majority of customers
- Assessment of operating structure
- Significant time invested in reviewing North America challenges and opportunities



OBSERVATIONS – SUPERIOR HIGHLIGHTS



Differentiated on Innovation and Technology



Intimate Customer Relationships



Highly Technical and Passionate Team



Diversified Customers, Geographies, and Segments



Competitive Footprint



Electric / Internal Combustion Agnostic



Solid Aftermarket Position and Brands

OBSERVATIONS – CHALLENGES AND PRIORITIES

OVERRIDING PRIORITY OF GENERATING INCREMENTAL PROFIT AND CASH FLOW

OPERATIONAL EXCELLENCE

- Improve North America profitability
- Right-size production and costs with volume
- Clearly defined operating system, cadence, metrics

TALENT/CULTURE

- Enhance operational leadership
- Drive accountability across the organization
- Strengthen capability in Mexico and reduce attrition

CUSTOMERS

- Commercial discipline including VA/VE to enhance margins
- Diversify customer base and grow across a balanced portfolio

PORTFOLIO

- Commercialize and improve challenged product lines
- Expand finishing capabilities to win incremental programs

LEVERAGE/CAPITAL

- Improve working capital efficiency
- Clear customer and financial paybacks on capital investments

SECOND QUARTER 2019 KEY UPDATES



KEY METRICS

4.9M

UNITS
SHIPPED

\$352.5M

NET
SALES

\$193.6M

VALUE-ADDED
SALES⁽¹⁾

\$7.3M

NET
INCOME

\$49.2M

ADJUSTED
EBITDA⁽¹⁾

\$39.60

VALUE-ADDED
SALES / WHEEL⁽¹⁾

YEAR-OVER-YEAR KEY UPDATES

- Market: OEM production down 2.1% and 7.5% in NA and EU⁽²⁾, respectively; combined down 5.0%
- Superior Value-Added Sales⁽¹⁾ down 5.3%, in line with production decline of 5.0%
- Customers in NA down more than market
- Increased share in our EU business offset by lower volume in NA, including share/take rate, and aftermarket volume in EU
- Net sales decrease driven by volumes, a weaker Euro, and lower aluminum prices, partially offset by mix
- Premium/larger diameter wheel mix improved - Value-Added Sales⁽¹⁾ per wheel up 11.2% excluding FX
- Adjusted EBITDA⁽¹⁾ impacted by volumes and energy costs, partially offset by mix and other cost savings
- Taking action to reduce costs - SG&A down significantly year-over-year
- Revising full year outlook to reflect global production
- Second quarter cash flow supported debt repayment⁽³⁾ of \$26.1M

(1) Value-Added Sales and Adjusted EBITDA are non-GAAP financial measures; see appendix for reconciliations to the most comparable GAAP measures

(2) Source: IHS Automotive; Europe based on Western and Central Europe as reported by IHS on July 16th, 2019

(3) Includes open market repurchase of senior notes, Term Loan B payments and other debt payments

DEBT STRUCTURE

(\$ in millions)

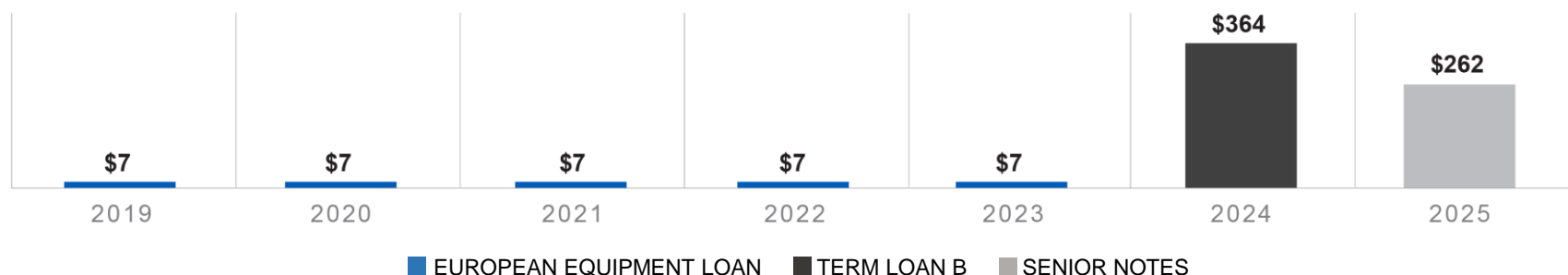
DEBT PROFILE AS OF Q2 2019

	\$	Maturity
Total Cash	\$57	
U.S. \$160M Revolving Credit Facility	-	May 23, 2022
Europe €45M Revolving Credit Facility	-	May 22, 2022
Term Loan B	379	May 23, 2024
European Equipment Loan	15	Mar 31, 2024
Capital Leases	2	n/a
Total Senior Secured Debt	\$396	
Senior Unsecured Notes (€230M)	\$262	Jun 15, 2025
Total Debt	\$658	
Net Debt	\$601	

COMMENTARY

- Maturities and covenants provide flexibility
- Principal reduction of \$26M in second quarter
- Net debt lower by \$37M from December 2018
- Extended and upsized European revolving credit facility during the second quarter
- Total available liquidity of \$264M including cash and availability under revolving credit facilities

Debt Maturity Schedule



FULL YEAR 2019 FINANCIAL OUTLOOK



Key Metrics	2019 Outlook (Aug 8, 2019)
Unit Volume (000s)	19,500 – 19,900
Net Sales	\$1.39B – \$1.44B
Value-Added Sales ⁽¹⁾	\$755M – \$795M
Adjusted EBITDA ⁽²⁾	\$165M – \$180M
Capital Expenditures	Approx. \$75M
Cash Flow from Operations	\$125M – \$145M

(1) Value-Added Sales is a non-GAAP financial measure; see appendix for a reconciliation to net sales

(2) Adjusted EBITDA is a non-GAAP financial measure; see Use of Non-GAAP Financial Measures on slide 2

OBSERVATIONS – SUPERIOR HIGHLIGHTS



Differentiated on Innovation and Technology



Intimate Customer Relationships



Highly Technical and Passionate Team



Diversified Customers, Geographies, and Segments



Competitive Footprint



Electric / Internal Combustion Agnostic



Solid Aftermarket Position and Brands

Appendix

TOP PLATFORMS – DIVERSIFIED LINEUP OF RELEVANT PLATFORMS

Top 10 Platforms: North America

GM T1XX/K2XX



Ford F-Series



Toyota Highlander



Chevy Equinox



Nissan Kicks



Ford Explorer



Nissan Sentra



Chevy Malibu



Toyota Tacoma



Toyota Sienna



Top 10 Platforms: Europe

Mercedes A/B Class



VW Golf



BMW 2-series



Audi Q2



BMW X5/X6



Volvo XC40



BMW 3-series



Audi A3



BMW E-Class



Suzuki S-Cross



RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



Value-Added Sales

	Twelve Months	
	YTD 2018	YTD 2017
Net Sales	\$ 1,501.8	\$ 1,108.1
Less:		
Aluminum Value and Outside Service Provider Costs	(704.6)	(491.3)
Value-Added Sales	<u>\$ 797.2</u>	<u>\$ 616.8</u>

Adjusted EBITDA

	Twelve Months	
	YTD 2018	YTD 2017
Net Income (Loss) Attributable to Superior	\$ 26.0	\$ (6.0)
Adjusting Items:		
- Interest Expense, net	50.1	40.0
- Income Tax Provision	6.3	6.9
- Depreciation	68.7	54.2
- Amortization	26.3	15.2
- M&A, integration and CEO separation costs and factoring fees	11.7	35.9
- Change in Fair Value of Preferred Derivative	(3.5)	(6.2)
- Closure Costs (Excluding Accelerated Depreciation)	-	0.1
	<u>\$ 159.6</u>	<u>\$ 146.1</u>
Adjusted EBITDA	<u>\$ 185.6</u>	<u>\$ 140.1</u>

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



Value-Added Sales

Net Sales
Less: Aluminum Value and Outside Service Provider Costs
Value-Added Sales

Three Months		Six Months	
2Q 2019	2Q 2018	YTD 2019	YTD 2018
\$ 352.5	\$ 389.0	\$ 710.2	\$ 775.4
(158.9)	(184.6)	(323.8)	(363.6)
<u>\$ 193.6</u>	<u>\$ 204.4</u>	<u>\$ 386.4</u>	<u>\$ 411.8</u>

Net Income
Adjusting Items:
- Interest Expense, net
- Income Tax Provision
- Depreciation
- Amortization
- M&A, Integration, Hiring & Separation Cost, and Debt Extinguishment Gains⁽¹⁾
- Factoring Fees⁽¹⁾
- Change in Fair Value of Preferred Derivative

Three Months		Six Months	
2Q 2019	2Q 2018	YTD 2019	YTD 2018
\$ 7.3	\$ 8.1	\$ 9.2	\$ 18.4
11.9	13.2	23.7	25.0
7.5	4.8	12.5	8.2
16.6	17.4	33.2	34.9
6.7	6.6	13.5	13.3
(0.9)	2.5	0.4	5.8
0.2	-	0.6	-
(0.1)	4.6	(0.7)	3.7
<u>\$ 41.9</u>	<u>\$ 49.1</u>	<u>\$ 83.2</u>	<u>\$ 90.9</u>
<u>\$ 49.2</u>	<u>\$ 57.2</u>	<u>\$ 92.4</u>	<u>\$ 109.4</u>

Adjusted EBITDA

⁽¹⁾ In the second quarter of 2019, we incurred approximately \$1.4 million of hiring and separation costs, \$0.2 million of AR factoring fees, \$0.1 million of integration costs and \$2.4 million of gains on extinguishment of debt. In the second quarter of 2018, we incurred approximately \$1.3 million in restructuring costs and \$1.2 million in integration costs. In the first half of 2019, we incurred approximately \$0.6 million in integration costs, \$2.2 million of restructuring costs, \$0.6 million of AR factoring fees and \$2.4 million of gains on extinguishment of debt. In the first half of 2018, we incurred approximately \$2.2 million in restructuring costs and \$3.5 million in integration costs.

Revised Outlook for Full Year 2019 Value-Added Sales

Net Sales Outlook
Less: Aluminum Value and Outside Service Provider Costs
Value-Added Sales Outlook

Outlook Range	
\$ 1,390.0	\$ 1,440.0
(635.0)	(645.0)
<u>\$ 755.0</u>	<u>\$ 795.0</u>